



NEW YORK STATE SENATOR

Martin J. Golden

New Medicaid Fraud Scams Highlight Urgent Need to Fight Back

MARTIN J. GOLDEN March 30, 2010

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Senate Republicans Recommend Reforms To Stop Medicaid Fraud That's Driving Up Local Property Taxes

Albany- New reports today of Medicaid fraud scams in New York City highlight the urgent need to stop Medicaid fraud and abuse that is driving up state and local spending and property taxes, Senator Marty Golden said.

Senator Golden served on the Senate Republican Task Force on Medicaid Fraud and Reform that issued policy recommendations to empower localities to boost their own Medicaid fraud efforts, more aggressively combat waste and the over utilization of services, and save taxpayers up to \$500 million a year.

"These new reports are just the latest evidence that we must fight fraud aggressively, restore accountability and integrity to the Medicaid program, and ensure that tax dollars are spent wisely to help the people who really need help, not enrich criminals who are taking advantage of overburdened taxpayers."

News reports today exposed a scam in the Bronx where street hawkers were promising anyone with a Medicaid card \$20 if they visited a dentist who could then bill the visit to

Medicaid and stick taxpayers with the bill. The practice is illegal and a sign that Medicaid fraud is being committed. In addition, the FBI caught a Harlem pharmacist who filed \$21,000 in bogus Medicaid claims for pricey prescription drugs used to fight AIDS, mental illness and anemia.

Among the Senate Republican Task Force's recommendations were those to encourage the use of modern technology designed to uncover fraud such as bogus prescriptions, fraudulent billing and other Medicaid abuse.

"Medicaid fraud is costing state and local taxpayers billions of dollars a year," Senator Golden continued. "At a time when every penny counts, we cannot afford to let anything fall through the cracks. I have offered a number of reforms that would help prevent Medicaid fraud and those recommendations should be included in the new state budget."